

MOVING FORWARD

ADAPTING USAID EFFORTS ON THE GROUND TO BUILD CAPACITY IN EGYPT

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The USAID Mission in Egypt is changing practices on the ground to strengthen sustainable partnerships with local organizations through an out-reach program by our Financial Analysis Support Team workshop called FAST. This approach is part of an overall strategy in Egypt to build capacity of local organizations and private institutions so they can continue their civil society work to rebuild their country.

BACKGROUND

In June 2011, USAID/Egypt hosted a Capacity Building Workshop to help local non-government organizations (NGOs) that are politically and socially transforming the country. The workshop is part of a series of services provided by USAID to improve the effectiveness of USAID funds granted and mitigate risks that can arise working with inexperienced or new NGOs. The main objectives of the five day workshop are to strengthen institutional capabilities and support sustainability and competitiveness to receive future donor funds beyond USAID. Conducted in Arabic, and designed and completely carried out by USAID staff, it represents a major shift in our approach to work with more local NGOs in the countries in which we operate.

Twenty five participants representing twelve Egyptian NGOs working in the areas of human rights, media, civil society, elections monitoring and democratic processes attended the workshop. The agenda covered topics such as planning and budgeting, cost principles, internal control systems for procurement, personnel and payroll, travel, financial management standards, accounting records and supporting documentation, and audit management. To ensure the continuation of the learning process after the workshop, participants were assigned to prepare a newly learned “Fund Accountability Statement.” This document is required by the USAID Regional Inspector General (RIG) as part of our audit requirements to determine whether a USAID financed project presents fairly. For example, auditors review project revenues received and costs incurred for the audit period and review whether those activities conform with generally accepted accounting principles such as the cash receipts and disbursements basis and modifications of the cash basis. It is a valuable tool to quickly grasp a project's finances and can reflect trends.

In order to encourage participating NGOs to dedicate more time and effort to planning their activities, a section on Strategic Planning and results-based-management was included in the workshop. This section demonstrated the linkage between organizational goals and objectives, intended results, the activities planned to achieve the results and the budgeting process. Examples of planning processes from well-known local NGOs were included in the presentation to bring these lessons to life.

LESSONS LEARNED

The workshop provided a critical opportunity for participating NGOs working in the same community and experiencing similar circumstances to meet, share stories of success and setbacks, and make plans for future cooperation. In the participants' evaluations, the workshop was successful in building up their knowledge about USAID policies and regulations as well as establishing internal control and financial systems for each NGO. Some suggested having the workshop regularly and making it available for all the local civil society NGOs - not only the USAID financed ones. Another suggestion was to add additional focus on real life situations facing the NGOs and more financial case studies.

MONITORING AND OVERSIGHT

As with any shift in USAID's Foreign Assistance Policy, accountability and transparency are always key concerns. For this reason, USAID performs risk assessments for pre-qualifications of institutions through pre-award assessments. We partner with local public accounting firms to conduct assessments and audits. We utilize our own staff to monitor US government funds, program implementation and performance, and conduct various workshops like this one throughout the life of the awards. In addition, the USAID Regional Inspector coordinates with our Mission on audits and investigations. Overall, this oversight is intended to improve the design, implementation and overall impact of our programs.

QUICK FACTS

- All handouts and presentations were presented in Arabic.
- 25 trainees representing 12 grants totaling \$4 million attended the workshop.
- The workshop was completely carried out by USAID staff.

NEXT STEPS

Local Egyptian NGOs are critical to the political and social transformation that Egypt is presently experiencing. Therefore, USAID/Egypt Mission will host these workshops quarterly to help these organizations build appropriate operational systems, strengthen their capabilities and overcome weaknesses that might be obstacles in receiving donor funds to continue the civil society work they do. In the past, the USAID/Egypt Mission planned to conduct this workshop with Egyptian grantees annually.

Globally, USAID/Egypt is planning to modify the workshop by adding a monitoring and evaluation component, and delivering this same workshop within the region as well as provide the materials to the Agency for usage world-wide in coordination with our headquarters in Washington.

This story is an example of how USAID is building local capacity as part of the USAID Forward reform agenda. Forward aims to change the way the Agency does business with new partnerships, an emphasis on innovation and focus on results.